

EA



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/919,413	07/31/2001	David Lawrence	3499-132	4206

27383 7590 09/15/2005

CLIFFORD CHANCE US LLP
31 WEST 52ND STREET
NEW YORK, NY 10019-6131

EXAMINER

SUBRAMANIAN, NARAYANSWAMY

ART UNIT	PAPER NUMBER
----------	--------------

3624

DATE MAILED: 09/15/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/919,413

Applicant(s)

LAWRENCE ET AL.

Examiner

Narayanswamy Subramanian

Art Unit

3624

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 11 July 2005.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 26-43 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 26-43 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☐ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____.
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date _____.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____.

HL

DETAILED ACTION

1. This office action is in response to Applicant's communication filed on July 11, 2005. Amendments to claims 26, 28-30 and 38, and cancellation of claims 44-56 have been entered. Claims 26-43 are currently pending and have been examined. The rejections and response to arguments are stated below.

Claim Rejections - 35 USC § 103

2. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

3. Claims 26-33 and 38-43 are rejected under 35 U.S.C. 103(a) as being unpatentable over Basch et al (US Patent 6,119,103) in view of Moss et al (US Patent 2002/0128945 A1).

With reference to claim 26, Basch teaches a computer implemented method for managing risk related to an online transaction associated with a marketplace, the method comprising: receiving into a computer system data descriptive of the transaction comprising: an amount of money involved in the transaction (See Basch Column 3 lines 51-56); and one or more currencies involved in the transaction (See Basch Column 16 line 65 – Column 17 line 1); receiving into the computer system an identifier of one or more market participants associated with the transaction (See Basch Column 3 line 65 – Column 4 line 8, account holders are one of participants associated with the transaction); associating a portion of the risk data with at least one of: the data descriptive of the transaction and the identifier of one or more market participants associated with the transaction (See Basch Column 5 lines 11-16, Column 7 lines

Art Unit: 3624

38-65, the account holders are one of the market participants); and generating a report comprising the portion of the risk data which is associated with at least one of: the data descriptive of the transaction and the identifier of one or more market participants associated with the transaction (See Basch Column 8 lines 7-12). (Also see Basch Figures 1-9) A Computer system is inherent in the disclosure of Basch. Basch also discloses online transactions (See Basch Column 8 lines 20-23 and lines 53-59).

Basch does not explicitly teach the steps of online transaction associated with an online marketplace; geographic locations associated with the transaction; government regulations associated with the transaction; and receiving into the computer system risk data, wherein said risk data is generally related to at least one of: regulatory risk and risk associated with a cost to defend an adverse position.

Moss teaches the steps of geographic locations associated with the transaction (See Moss Paragraphs 64 and 65); government regulations associated with the transaction (See Moss Paragraphs 64 and 65); one or more currencies involved in the transaction (See Moss Paragraphs 52 and 53) and receiving into the computer system risk data, wherein said risk data is generally related to at least one of: regulatory risk (See Moss Paragraphs 64 and 65) and risk associated with a cost to defend an adverse position (See Moss Paragraphs 64 and 65). Moss teaches liability risk that includes the risk associated with a cost to defend an adverse position.

Basch is concerned with the problem of predicting risk of transactions given the data related to the transaction and data from external databases, transaction archives and consolidated database (See Basch Figure 4). Moss is also concerned with problem of filtering data related to the transaction to make it easier for the parties to the transaction to trade. It would have been

Art Unit: 3624

obvious to one with ordinary skill in the art at the time of invention to modify Basch to include the steps of geographic locations associated with the transaction; government regulations associated with the transaction; and receiving into the computer system risk data, wherein said risk data is generally related to at least one of: regulatory risk and risk associated with a cost to defend an adverse position. The inclusion of these steps would have helped the parties to the transaction consider all the relevant risk factors without being overwhelmed with information overload.

Both Basch and Moss do not explicitly disclose online transaction associated with an online marketplace.

Official notice is taken that online transaction associated with an online marketplace is old and well known in the art. Such transactions save a user time by shopping for the desired goods online compared to physical shopping.

It would have been obvious to one with ordinary skill in the art at the time of invention to modify Basch to include the step of an online transaction associated with an online marketplace. The inclusion of this step would have helped a user save time by shopping for the desired goods online.

With reference to claims 27-29 Basch teaches method of claim 26 wherein the data descriptive of the online transaction is received from one or more of: an online retailer, an online wholesaler, a business to business supplier; and an online auction (See Basch Column 5 lines 11-16, Column 8 lines 20-23, merchants include both retailers and wholesalers); from one or more of: an online retailer, an online wholesaler, a business to business supplier; and an online auction (See Basch Column 5 lines 11-16, account issuers include both merchant banks and commercial

Art Unit: 3624

banks); and public data records (See Basch Column 7 lines 53-55, public records include a government entity also).

With reference to claim 30 Basch teaches method of claim 26 additionally comprising the step of generating a risk score based upon the portion of the risk data which is associated with at least one of: the data descriptive of the transaction and the identifier of one or more market participants associated with the transaction (See Basch Column 7 lines 34-65 and Column 9 lines 22-32). Risk scores include risk quotients and divorce filings, tax liens, judgments, and the like data related to are legal risks.

With reference to Claims 32, 33 and 38, Basch teaches a method of claim 30, wherein the risk quotient is additionally indicative of an amount of legal risk (See Basch Column 9 lines 22-38, information about bankruptcy, fraudulent usage are data related to legal risks and since these are included in the scores the risk quotient is indicative of the legal risk as well); wherein the risk quotient indicates a financial risk (See Basch Column 9 lines 22-32); and additionally comprising the steps of generating a suggested action based upon at least one of: the risk quotient, the risk data; and the identifier of one or more market participants associated with the transaction. (See Basch claim 1) Financial risk is interpreted to include an amount of risk associated with monetary costs related to at least one of fines, forfeitures and costs to defend an adverse position and the step of transmitting the score to an account issuer based on the score is interpreted to include the step of generating a suggested action responsive to the risk quotient.

With reference to claims 39-43 Basch teaches method of claim 38, wherein the report additionally comprises a description of the suggested action (See Basch Column 13 lines 21-63); and the suggested action comprises limiting the scope of the online transaction (See Basch

Art Unit: 3624

Column 16 lines 26-32 and 51-57, designing filters tailored according to a geographic location and for a particular type of transaction is interpreted to include the step of limiting the scope of the online transaction) or notifying an authority (See Basch Column 9 line 62 – Column 10 line 3, the authorized private or public data services are interpreted to include an authority) or discontinuing the online transaction (See Basch claim 6, denying authorization request is interpreted to include the step of discontinuing the online transaction; and presenting the reports/alerts to data consumers (See Basch Column 13 lines 21-63, presenting the reports/alerts to data consumers is interpreted to include the step of presenting the report to at least one of: a regulatory body, shareholders and news media).

With reference to claim 31, Moss teaches data related to regulatory risk (See Moss Paragraphs 64 and 65). Since the risk score in Basch is based on all risk factors, Basch in view of Moss teaches the step wherein the risk score is indicative of an amount of regulatory risk.

4. Claims 34-37 are rejected under 35 U.S.C. 103(a) as being unpatentable over Basch et al (US Patent 6,119,103) in view of Moss et al (US Patent 2002/0128945 A1) and further in view of Spitz et al (US Patent 2002/0139837 A1).

With reference to claims 34-37, Basch and Moss combined teach method of claim 26 as discussed above.

Basch and Moss combined do not explicitly teach the steps wherein the risk data comprises world events; one government advisory; one or more obligations to know your customer according to government regulations; and a list generated by at least one of: the Office of Foreign Assets Control, the U.S. Commerce Department, and the U.S. White House.

Spitz teaches the steps wherein the risk data generally related to risk factors are retrieved from internal and external databases to quantify risk (See Spitz Paragraph 53). The data retrieved from internal and external databases are interpreted to include world events, one government advisory, obligations to know your customer according to government regulations and a list generated by at least one of the Office of Foreign Assets Control, the U.S. Commerce Department, and the U.S. White House.

It would have been obvious to one with ordinary skill in the art at the time of invention to include these steps to the invention of Basch. The combination of the disclosures taken as a whole suggests that it would have helped the parties to the transaction to be confident that all relevant factors are considered before proceeding with the transaction.

Response to Arguments

5. In response to Applicant's arguments that Basch does not teach "online" transaction, the examiner respectfully disagrees. For example in Column 8 lines 20-23 and lines 53-59, Basch discloses transactions where request for authorizations and making the authorizations are made substantially simultaneously using Online Analytical Processing (OLAP) tools. This example clearly indicates that online transactions are clearly anticipated by the disclosure of Basch.

In response to Applicant's arguments that Basch does not teach a currency for the transaction, the examiner respectfully disagrees. It would have been obvious to one with ordinary skill in the art that when a transaction amount is specified, the currency of the transaction amount is also automatically implied. However to keep the argument short, the Applicant is directed to Basch Column 16 line 65 – Column 7 line 1, where both the currency, amount and the geographic location of the transaction are specified.

Art Unit: 3624

In response to Applicant's arguments that Moss does not teach a risk associated with a cost to defend an adverse position, examiner respectfully disagrees. Moss discloses liability risk, which includes a risk associated with a cost to defend an adverse position. For example when one buys an insurance policy to cover liability risk, one is buying insurance to cover a cost to defend an adverse position that may arise when the insured is at fault.

In response to Applicant's arguments that Moss does not teach regulations provided or mandated by a government, examiner respectfully disagrees. Moss discloses "institutional risk" associated with an organization such as a bank. Banks are institutions regulated by the government and hence the "institutional risk" covers government regulations also.

In response to Applicant's arguments that it is not clear to the Applicants as to why geographic information, regulatory risk, liability risk would be relevant to the analysis of Basch and Moss, the examiner would like to direct Applicant's attention to Moss's disclosure, especially paragraphs 64 and 65 where all these factors have been considered in the analysis.

Applicant's other arguments with respect to claims 26-43 have been considered but are not persuasive.

Conclusion

6. Applicants' amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within **TWO MONTHS** of the mailing date of this final action and the advisory action is not mailed until after

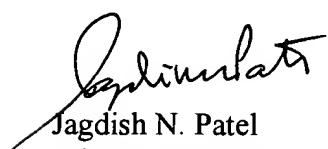
Art Unit: 3624

the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Dr. Narayanswamy Subramanian whose telephone number is (571) 272-6751. The examiner can normally be reached Monday-Thursday from 8:30 AM to 7:00 PM. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin can be reached at (571) 272-6747. The fax phone number for the Patent Office where this application or proceeding is assigned is (571) 273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

N. Subramanian
September 10, 2005


Jagdish N. Patel
Primary Examiner